

**City of Alpine
Regular City Council Meeting
Tuesday, September 16th, 2014
5:30 P.M.
Minutes**

- 1. Call to Order, Invocation and Pledge of allegiance to the flag – Mayor Rangra called the meeting to order. Jo Beth McLeod said the invocation and Mayor Rangra led the pledge of allegiance to the flags.**
- 2. Determination of a quorum and proof of notice of the meeting – Mayor Rangra, Councilmembers Bermudez, Salas, Fitzgerald, Gonzales and Stephens were present. The meeting notice had been posted on September 12th, 2014 at 2:30 P.M.**
- 3. Presentations, recognitions and proclamations –
 - A. Presentation to Mark Hannan for donation of server to City. (E. Zimmer, CM) – The City Manager said unfortunately, work has taken Mark away this Evening. He said Mark called him this afternoon and hoped to attend but he was not able to do so. The City Manager said Mark and his company Nectar Computers had donated a server here to the City of Alpine. He said typically a server like that would cost about \$7,000. He said last year as the city was going through some of the financial challenges and investigations, there was new hardware that was needed and Mark came to our rescue. He said Megan and she approached him a couple of weeks ago about purchasing that server from him and he donated it to the city. He said we wanted to honor him this evening.**
 - B. Presentations to Sylvia Vega, Katie Elms-Lawrence and Dian Raun for their service as commission and board members. (A. Rangra, Mayor) - Mayor Rangra said these volunteers have done a wonderful job and given their time to help the community. Mayor Rangra presented a certificate to Dian Raun in appreciation for all the work that she did on the Parks Board. Mayor Rangra said Sylvia Vega was not here this evening but she served on the Planning and Zoning Commission for 10 years. He said that is called sacrificing your time for your community. He asked the City Secretary to make sure that Sylvia received her certificate. Mayor Rangra also presented Katie Elms-Lawrence with a certificate for serving on the Parks Board for 5 years on the Parks Board. She was also not present. Mayor Rangra asked the City Secretary to please present the certificate to Katie Elms- Lawrence as well. He thanked all of them. He said volunteering is a thankless job and they get criticized for their decisions sometime. Councilor Bermudez said Dian Raun and Katie Elms-Lawrence not only came to the meetings, they were also out there getting their hands dirty at the Parks. She thanked Dian for her service.****

4. Reports –

City Mayor's Report - Mayor Rangra said last week he attended a meeting of the Brewster County Appraisal District Board. He said they passed the budget and that the Council members have a copy of the budget. He said the City of Alpine contributes \$61,842.09 which is about 13.24 percent of the total budget for the Appraisal District Board. He said the City Manager will remind you that tomorrow we have a meeting at 9:00 AM in this room and we have a person coming in to meet with us from Texas Water Development Board. He said this would be a public forum. The City Manager said the Board Director is coming through the region and asked to have public officials available if it fits their schedule. He said anyone who chooses to come can come.

City Manager Report – The City Manager, Erik Zimmer, said he would say that we have started posted the City Manager Reports on line. He said we had a request a couple of months ago. He said he did get a couple of comments this week from people who were outside of Alpine, that had visited in the City of Alpine and who had gone through the City Manager report. He said so for what it is worth those folks knew a little bit more about Alpine and what was going on here with our City Government.

Streets Update - He said for those of you who drive down Sul Ross can see that it is still not complete. He said we have had basically two batches of what he would call wrong material. He said we do have a batch being delivered right now. He said we got about half of it and we are going to go ahead and use this material for the sub base. He said this is one of those situations where we are competing with the oil and gas industry and we are trying to buy sub base at about \$18 a ton. He said they are out there paying \$28 to \$30 a ton and grabbing the really good, grade 2 road base. He said we have half of the material in that will allow us to complete Sul Ross. He said he anticipates that within 3 weeks we should be done. He said we are going to reroute the parade. He said instead of using Sul Ross we are going to reroute and go down Avenue E, instead of putting oil down on the road and having the groups and kids walk through that. He said there is impending rain Thursday night too, so they are going to use Avenue E. He said they also are pending the street closure on Del Rio and Cherry over there where the bonfire will be. He said if anyone wants to attend it on Thursday night. He said if it is raining we will keep people on the street so they are not swamping through the dirt and the grass. He said we are also doing quite a bit of cleanup around Alpine. He said we have a lot of high school teams out there right now collecting wood from alongside the dumpsters and taking it out to the bonfire as well.

He said concerning parks there is a very heavy mowing schedule, obviously because of the rain. He said they have been focusing on the Airport this past week and mowing along the runways. He said once we complete Sul Ross we will get back and start readdressing the creeks. He said a couple of concerns that Hector and he have in the creeks is the massive growth of elms. He said anyone coming down Highway 90 here

will see that growth and we have to make sure that we get that cleaned out this year, just from a water flow perspective. He said unfortunately we have had a little vandalism over at Kokernot Park. He said on the new piece of playground equipment, the glass piece was broken out a week and a half ago and then the canopy overhead was destroyed over this past weekend. He said we have a couple of the cameras that we will be positioning over that way to see if we can identify which folks are doing that. He said in the last report we were averaging about 1.4 millions of gallons of water use daily. He said with some of the rain we have come down to 1.1. He said we are discharging approximately 411,000 gallons of wastewater a day. He said we have repaired the motor and so we have the affluent water going back to Kokernot Park. He said we did have our TCEQ sanitary inspection on Friday September 5th. He said it was a nice note there, with no violations for the City of Alpine. He said we have compost camp scheduled for next week. He said we do have a couple of representatives going out to Austin to participate in that. He said the end goal is how do we turn some of the sludge into compost over the next couple of years. He said we are looking at formulating that process to get our sludge into an environment where we can compost and return that to the community. He said concerning the solar array, he finally got the third part in that is needed to repair it. He said this is a significant issue for us out of the wastewater treatment plant. He said we look to offset about \$1,500 to \$1,800 a month in electricity costs with this array. He said having it up and functional is critical for us. He said the Keep Alpine Beautiful Electronics Recycling Event last week was a huge success. He said Patsy was a little worried after Monday and Tuesday but on Wednesday, Thursday and Friday people really started piling stuff in. He said we filled a 53 foot trailer. He said we had 15 community volunteers. He said a lot of them came from the high school. He said we are starting to hear this recurring theme that we are getting more and more kids from the high school involved and engaged in the community. He said it is very nice to see. He said plenty of the city staff members helped out as well. He said one key point is that 25% of the lead and heavy metals at our landfill or any landfill in general, are a result of electronics so the better job we do, at recycling those products, the better it is for the environment and the better it is for our landfill. He said Patsy is planning a "Make Alpine Shine" event and it is scheduled for September 27th. He said there will be more to come on that. He said we will post that on the web. He said that is just general clean up around Alpine. He said the planning on our tire disposal based on that grant, is underway as we remediate the 15 acre recycle plant, we are then going to probably do a one week process with the city where we will say to bring in your tires and let's get rid of them. He said we will have this grant to support Alpine and really work to do that. He said that will keep people from throwing them into the dumpsters and they can bring them out there and get that remediated. He said concerning the Hotel Fund, the recommendation went out to the

Council and the Mayor this past week. He said Molly shared them with the applicants yesterday. He said we have our special meeting next Tuesday. He said also for this year we are working on the recipients and making sure that they get all of their receipts and expenditures into the City by September 25th. He said although we are on an accrual based accounting system, we are really pushing to make sure that we get those last bit of expenditures in.

He said finance is really working hard this month on closing out our finances in preparation for this upcoming year's audit. He said with that being said, we are monitoring expenditures heavily. He said one risk you always have with the budget is if you have money left over at the end of the year, let's go spend it. He said his philosophy and theory is we only spend what we need. He said if we build up reserves that is a good thing.

He said Robert Polanco and Molly are working on property identifications tied to the strategy of selling off some of our assets. He said Molly has provided Robert with that list and he is well underway identifying those and working with the County Assessor's office.

He said we are also targeting some work with ASSIST, which is the billing system that the gas company uses to incorporate our water department into that to coincide with the first quarter of the fiscal year. He said it should really be a good functionality for the residents of the community as well as get us off some old software that we really do not have anybody on staff that can write code for.

He ended with Alpine is the best city in Texas and he was glad to be here.

City Staff Updates –

The City Manager said at the next meeting we will have the Municipal Judge. He said unfortunately she could not be here this week due to illness but she is getting better. He said she would be here for the October 7th meeting.

5. Citizens Comments (on agenda items) – (limited to 3 minutes) –

Bob Litton – said he heard in the past couple of months about the revival of La Entrada Al Pacifico project. He said he was curious if the city had received any notifications from the highway department or the legislature.

6. Public Hearing - None

7. Consent Agenda – (Minutes, Financial reports, Department Written Reports, board appointments, etc.) – (Notice to the Public – The following items are of a routine and administrative nature. The Council has been furnished with background and support material on each item, and/or it has been discussed at a previous meeting. All items will be acted upon by one vote without being discussed separately unless requested by a Council

Member, in which event the item or items will immediately be withdrawn for individual consideration in its normal sequence after the items not requiring separate discussion have been acted upon. The remaining items will be adopted by one vote.)

A. Approve Accounts Payable. (E. Zimmer, CM)

B. Approve Council Minutes of July 8th and July 15th, 2014. (A. Rangra, Mayor)

Item 7A was moved to Action items by a request from Councilor Gonzales. Motion was made by Councilor Fitzgerald, by Resolution 2014-09-06 to approve item 7B. Motion was seconded by Councilor Stephens. Motion unanimously carried.

8. Information or Discussion items – (Citizens are allowed to comment – limited to 3 minutes – after being called upon by Mayor.)

A. Income Statement and Budget Variance Reports - (E. Zimmer, CM) – The City Manager said he submitted in their packets, a write up on three Points, the income statement, budget variance and our cash flow or cash position statement. He said on our income side we are through eleven months or 91.7% of the year through August 31st, 2014. He said we have had a slight drop in net income from last month primarily due to making our debt payments and some of the work that we are doing on our well sites. He said overall though we are very healthy financially. He said one of the highlights would be our performance at the Airport. He said even with our administrative fees we are still showing a net income, year to date, at \$65,000 which is important as we are building reserves up for some of the capital work that we are about to do at the Airport. He said hotel receipts also came in very strong. He said he thinks as we got the output, not only from Viva Big Bend, but the Big Bend Ranch Rodeo. He said those receipts started coming in, in the August time frame and we are much healthier on the revenue side for hotel occupancy tax at \$430,000 than any of our staff had anticipated. He said overall for the city when you look at our government fund total revenue at 3.2 million and our total expenses at 3.1 million, we have a net income of \$127,000. He said water, sewer and sanitation total revenue just shy of \$3.5 million and total expense of \$3.1 million and net income of roughly \$365,000. He said the Airport he already shared the net income. He said for Gas the total revenues is about \$2.1 million and expenses about \$1.6 million, so just shy of half a million in net income on our gas side. He said the total for city government for water, sewer, sanitation, airport and gas is a little over one million year to date on the net income side. He said as we move to the end of this year, one of the items that we talked about is how do we start moving as our accounts are doing well, moving some funds into reserve, specifically for our health care as well as for

preparing for some of the tool purchases and material purchases we are going to need for our water company and gas company. He said that is the net income side. He said next, after the council gets through those sheets in the packet, he shared with the council the budget variance. He said what he and Megan had been tracking on the budget variance is really been as we close out the year, making sure we are not having heavy expenses start funneling in but also looking at where we have some opportunities to accelerate some of the capital needs that we are anticipating next year and can we bring those in to this year. He said what he is more focused on right now is just the water. He said on some of the older wells that we have, we are doing a lot of routine maintenance out there and having to repair some of the wells. He said that has not driven us into a negative on the operating side or expense side but it is an area that Megan and he probably talk about three or four times a week. He said Virgil will be retiring and we have a new Director of Utilities that is coming in. He said we are making sure that we have good consistency through that transition will be critical. He said he also provided the cash flow analysis sheet and what he tried to show on there, by making tick marks on some of the key accounts that he takes a look at and Megan takes a look at on a daily basis. He said we have completed the separation with having our separate checking accounts for gas, and water departments. One of the things that happens when you pull a list on the 31st or 30th day of the month is we do not do our administrative and franchise fees until the first day of the month. He said that cash account is going to typically look lower on the last day of the month and the first day of the following month it is going to be tendering those payments and adjusting the cash. He said as always, if you have any questions, thoughts or concerns, please feel free to come in and visit. He said the community is always welcome to come in and visit on those topics.

Action Items to be accompanied by a brief statement of facts, including where funds are coming from, if applicable. (Action items limited to (up to) 10 per meeting.) (Citizens are allowed to comment—limited to 3 minutes – after being called upon by Mayor)

- 7A. Approve Accounts Payable – Councilor Gonzales said he had just one Question. He said he noticed on the payments being made out of the General Fund for the City Council expense, we are paying the legal expenses and he was wondering why that was. The City Manager said when the chart of accounts was set up the legal fees were housed under that bracket and so it has resided there all year. He said it always can be changed but that is where it has been all year. Councilor Gonzales said it is not something that you changed and put there, it has been there all along. The City Manager said correct. He said that was in the approved budget and that is the way that we presented it. Councilor Bermudez said those are for**

the lawyers. The City Manager said correct. She said the lawyer for the municipal judge is separated. The City Manager said correct. Councilor Bermudez said she would kind of like to see that changed, like the City Manager said that we could, so that way we can see exactly what we are paying who by amount. The City Manager said if council wants to have another separation and create another category, we are comfortable to do that, if that is council's wish. Councilor Bermudez said that would not be very hard would it? Councilor Gonzales said wouldn't it be under non-departmental expense meaning you are not actually spending money from one certain account but overall? The City Manager said he cannot speak to why 14 months ago it was put under the City Council bracket when they converted from the Dearing to the Hill Country Software. He said that was a decision that was made in June or July of 2013. He said it has resided there as a single line item so it is very easy to pull out and look at. He said if council feels like they want a different look at it, it is not a hard change. Councilor Salas said so that is the only thing that is on that line item? Just that fee? The City Manager said the legal fees tied to the city so primarily it would be Mick McKamie, but if there was another attorney outside council hired for some other reason it would also go into that line item. He said if you decided not to use Mick McKamie for a litigation case that came up then TML insurance risk pool was not going to cover it but there was a lawyer in another firm that had strong skills, council may decide to discuss that and work with Mick and say we are going to hire this firm to handle this particular case. He said we would put that under that line item as well. He said it is not been the case this year. The City Manager said the way it sits now, it is very easy to pull a report on everything tied to that account code on that line item and pull out every expense over the last fiscal year. He said if council wanted it separated that is easy to construct as well. He said the question comes up, do you make the change as you approve the budget or do you make the change post budget. Councilor Stephens said he was confused. He said we have a general ledger sub-account structure and the attorneys are called out in a separate line item, which just happens to reside under the city council general ledger. He said all of the costs associated with the City Attorney are completely able to be segregated. He said he does not understand what would moving buy you other than the administrative costs of making the change because you would see no more data. Councilor Gonzales said he heard the City Manager mention just a few minutes ago that if we had another attorney. He said don't we have another attorney working for the Municipal Court. The City Manager said he does handle the Municipal Court, under the Municipal Court budget which is a separate line item. The City Manager said probably the reason it was set up under the City Council was because the City Council hires the City Attorney and it was probably just the logical thought to put it under City Council expense. Mayor Rangra asked about page 1, BCAD where it said City Sales Tax Expense. He said it is not Sales Tax is it? Megan said it is a result of the software that keeps the same number for that item. She said the "sales tax"

wording should actually not be there but it has the same number. Motion was made by Councilor Stephens, by Resolution 2014-09-07 to approve the accounts payable. Motion was seconded by Councilor Gonzales. Motion unanimously carried.

9. Discuss and Consider approving the FY 2014/2015 proposed Budget for the City of Alpine, Texas. The FY 2014/2015 Budget contains proposed expenditures and revenues from the general fund, enterprise funds, capital expenditures and hotel/motel funds. (E. Zimmer, CM) – *The City Manager said we started with our original proposed budget on August 8th, got quite a bit of feedback on the tax rate, had our first public hearing on the tax rate, presented a revised budget on August 26th, have had very robust dialogue, not only at the public hearings, but probably had 20 plus people reach out to him individually, then we completed the other two tax rate hearings, and public hearing on the budget and so what we have tonight is the approval of that proposed budget that we have been discussing since the beginning of August. Motion was made by Councilor Fitzgerald, to approve Ordinance 2014-09-01, by Resolution 2014-09-08, to approve the Fiscal Year 2014/2015 proposed Budget for the City of Alpine, Texas. (The FY 2014/2015 Budget contains proposed expenditures and revenues from the general fund, enterprise funds, capital expenditures and hotel/motel funds, appropriates money to a sinking fund to pay interest and principal on the city's indebtedness, suspending the second reading of the ordinance, adopting the annual budget of the City of Alpine, Texas for the fiscal year 2014/2015). Motion was seconded by Councilor Salas. Councilor Stephens said in his perspective, since it is the first time he has gone through this process and seen what is going on, his compliments to the City Manager and the financial staff, for the way in which they put this together. He said budgets are about making difficult decisions. He said it is tough and there is never enough money but it is all about the investments in our city, improve the value of services and about ensuring the funds to cover the risks that we do not know yet. He said he thinks this budget adequately does that. He said he knows that we are not talking about the overall tax rate right now but my sense is that the budget allows you to keep the same tax rate going forward and that was a big element that came up in the Ward 5 town hall meeting here a few weeks ago. He said he thinks there have been some great steps to move forward to keep the things that people want in the budget but keeping the tax rate the same. He said he knows that there has been a lot of dialogue that has gone on about the budget, particularly people's perspectives. He said he thinks all of that has been helpful. He said he does think there are opportunities going forward to 2015/2016 for future budgets to take into account opportunities which overlap with other services by other organizations. He said "Mayor, you wanted a session where we have lots of tax base and how all of it pulls together". He said he believes that there are opportunities to consider. He said right now he believes this is the right way to go. He said bottom line, he supports the budget and by the*

way, he submitted a letter two weeks ago and asked that the \$1,200 allocated to him be allocated back to the city budget for better purposes because he does not want to get paid. He said those are his comments. Councilor Fitzgerald said he thought it was very well put together. He said he liked the idea that all of the directors were involved with this and it was a mutual kind of thing that everybody agreed to. He said we had several meetings on this. He said he thinks it is a great job. Councilor Gonzales said he thought the budget should work for us but he believes that they have the ability to adjust it later on if things become too difficult, or we have an emergency or something like that. He said he thinks that last year was the first time we ever had an adjustment on a budget and we are keeping an open mind for that. Councilor Fitzgerald said it is not in stone. Councilor Bermudez asked what happens if she thinks there is a section that is over padded in the budget and at the end of the year there is money left over, what happens to that money. She asked if it just automatically went to the next year. The City Manager said if you had a line item, say the water department, if we had maintenance dollars for \$75,000 for a particular item and we did not accomplish or spend all of it during the year. He said towards the end of the year, we would make a determination if we wanted to put that into a reserve fund to accomplish that capital task or do we want to allocate that during the next year towards a separate project that would be more beneficial to the city. He said that goes back to some of the earlier comments he was talking about, how we close out this year. He said we don't want to just spend money because it is available in a line item. He said we want to hold back on that and then cautiously put it into kind of a reserve account and then let us address capital needs associated with each of that fund so if it is fund 1, fund 4, fund 5 or fund 6. Manfred Fritsche said he thought it was strange and he is puzzled that everyone agrees to this budget. Carl Fleming said he is glad to see that the City is finally looking at the financial well-being very closely. He said the City Council should do a little more talking among themselves when these things are to be discussed. He said it does sound like you guys are making all of your decisions in concert but there is no discussion. He commented on the raises for the city. Dale Christopherson said Mr. Stephens went over what he intended to say but he did want to compliment the council and the City Administration for the way they have gotten things in order. He said he attributes the answer to the last question, it looks to him like the Council's accepting the suggestions that the City Manager has made as being reasonable and to move forward this year and see how it works. He said basically he wants to compliment them on getting this done. He said also in setting the tax rate in a sensible way and very different from what the Commissioner's Court has done. He said now we are dealing with a tax rollback effort which he is very sorry has to occur. The City Manager said he appreciates Mr. Fritsche's comments and Carl's and Dale's. He said he really wanted to share with everybody that this approach, although we proposed it first in August, is a result of Megan, the staff and himself really

listening to the community through the course of this whole year and understanding spending behaviors and spending patterns, what is going on and where do we need to focus on streets and roads, parks and things of that nature. He said he thought what we saw in that first proposed budget is that we were a little more aggressive. He said the immediate feedback that we got from the community was hold back and really work at staying at .5385 on that tax rate and see what you can put together and see if you can come up with some more creative solutions on how to generate capital. He said he would like to believe and feel comfortable that through the work of this year, of really listening, not only to what the council has been saying but also really working hard to listen to the community, making our offices open and welcome to the comments and feedback and he feels like if we can do that, we can put a better product in front of the council and in front of the community to look at. He said it is never perfect and as Sheila Ness said at one of the public hearings, budgets are never perfect but he feels very proud of the work that Megan did along with the department heads. He thanked them for their comments this evening. Councilor Bermudez asked if there was any way that we could pay the lawyers in a sum instead of having to pay them by the hour. She said she saw a list of the telephone calls that were made. She said it is a whole lot of money every time you pick up that phone. She said surely there is something else we can do besides that. The City Manager said everything with McKamie's firm could be negotiable and so if it was the council's thought throughout this discussion, he would be glad to reach back out to Mick and see if there was a way to put a hard cap on this. Councilor Stephens said we have all had lots of dialogue on this subject. He said as Erik already pointed out, a lot of the reductions that have occurred as a result of the dialogue that we have each individually had that led to this budget. He said those issues have bubbled back up as a result of the budget and that is why he thinks there is a lot of confidence that we have in our budget for the city that makes sense. He said the second point he would like to make is that he is wholeheartedly in favor of merit raises and not lump sums and that is his perspective after years of having been involved with how to motivate people. Councilor Gonzales said he just wanted to say that although all six of them get together and talk, he did spend some time with Erik telling him what he thought should be on the budget and he thinks the results are what he was looking for. He said he was satisfied. He said he does not know what else to say to make it any better. Mayor Rangra said the Councilmen can talk to the manager individually. He said there is nothing against the law about that. He said he is saying that in case anyone is thinking about TOMA. He said as we discuss this, questions come up, and as you see there is a discussion going on. Councilor Fitzgerald said we have had many meetings on this and all the public has gone over this thing. He said we are never going to please 100% of everyone. He said he personally wanted more money for roads. He said there is no such thing as the perfect budget. He said as far as merit raises go, he agreed with Councilor Stephens. He said all men are created

equal in the eyes of God, but not in the workplace. Mayor Rangra said he wanted to ask a question from the City Attorney. He said there are two items, item 9, which we are discussing regarding the budget and item 13 that we are going to talk about with the tax rate. He said his question is when he asks for the vote, does he have to ask the Councilmen individually or can he just ask them like we have been doing. The City Attorney said the Mayor could ask for just the usual vote. He said if a council member asks that the council be polled you can do that. Councilors Bermudez, Salas, Fitzgerald, Gonzales and Stephens voted in favor. There were no votes against. Motion unanimously carried.

10. **Discuss and Consider approving Airport waiver of NPE funds – 2011 funds related to Capital Improvement Projects for Alpine Casparis Municipal Airport. (E. Zimmer, CM)** – City Manager Zimmer said we have discussed this item a couple of times in previous meetings earlier this year. He said the non-primary entitlements are something that the FAA grants on a four year basis and they are good for four years. He said if we do not use them, either it goes back to the state, if we hand it back or if they time out then the FAA could hand them off at their discretion. He said he did include a letter from TxDot Aviation in the packets. He said Megan McLellan is our representative from TxDot. He said as he spoke with Megan, who was out here a couple of months ago, with Ryan Hindman, an Engineer and Greg Miller. He said Ryan was here previously and was concerned about the cracks. He said when we are thinking about the Airport, the necessary capital work we have to do in the short term is a remediation of the cracks on the taxiway and kind of that tarmac or landing area. He said he wanted to make sure that Megan put in her email back to us was a commitment that we would get that 90/10 funding to do that work. He said as you will see through the letter, she made that commitment back to us. He said that project is going to run us between a million and a million four, depending on what we can do as far as base materials. He said we are going to get that 90/10 capital funding on those projects. He said this is really more ceremonial that they need us to sign this NPE waiver back. He said we have some folks in the audience this evening that are concerned about the overall capital funding for the airport. He said he wanted to assure everyone that we are really focusing on the generation and getting that primary work done. He said as far as that half a million earmark, he shared a letter that came from Pete Gallego's office that talked about when that work was done and when those dollars were spent. He said that was output from the previous two discussions that we had. He said from his perspective, guarding our ability to do the taxiway and tarmac work and get the 90/10 funding is critical for the City of Alpine. He said we have the commitment from TxDot Aviation for that. He said they are asking for us to sign this waiver that will allow them to spend the dollars in Texas and the FAA may not take it and spend it wherever they so choose. Councilor Fitzgerald said he would rather have the money end up with TxDot than go to

Massachusetts. Oscar Cobos said we are all looking forward to the improvements. He said this really has been a top priority for the citizens and the Airport. He said he did not know how far Stone Garden grants would go with this and how much a grant writer could apply for. He said he hopes that we really are moving forward in every way possible. Motion was made by Councilor Stephens, by Resolution 2014-09-09, to approve the Airport waiver of NPE funds – 2011 funds related to Capital Improvement Projects for Alpine Casparis Municipal Airport. Motion was seconded by Councilor Gonzales. Motion unanimously carried.

11. Discuss and Consider approving 2015 Airport Ramp (Routine Airport Maintenance Program) Grant. (E. Zimmer, CM) – The City Manager said the Councilmembers had a cover sheet in their binders. He said this one should be a fairly easy one. He said the awarded amount is \$20,000 and it is a 50/50 grant. He said we just signed a Vaisala contract a couple of weeks ago and this will help offset some of our expenses there plus other routine maintenance. He said we need to do this. Motion was made by Councilor Bermudez, by Resolution 2014-09-10, to approve the 2014 Airport Ramp Grant. Motion was seconded by Councilor Fitzgerald. Motion unanimously carried.
12. Discuss and Consider approving new Texstar Account for setting up reserve for HOT (Hotel/Motel) Funding Account. (E. Zimmer, CM) – City Manager Zimmer said we approved earlier in the fiscal year to set \$75,000 aside in reserve for the hotel account in case something major came up and we needed to address it so this item is to allow Megan and he to work through the bank here to set up that reserve account. He said unfortunately he cannot do that as a city administrator. He said it does require the city council to approve the setting up of any account. Councilor Fitzgerald said he thought this was a no brainer and that we had to have this. Motion was made by Councilor Gonzales, by Resolution 2014-09-11, to approve a new Texstar Account for setting up reserve for HOT (Hotel/Motel) Funding Account. Motion was seconded by Councilor Bermudez. Motion unanimously carried.
13. Discuss and Consider approving the increase of the total Tax Revenues of the City of Alpine from properties on the tax roll in the preceding year by 8.45%. The total tax revenue proposed to be raised last year at last year's tax rate of .5385 for each \$100 of taxable value was \$1,461,513. The total tax rate revenue proposed to be raised this year at the proposed tax rate of .5385 for each \$100 of taxable value, excluding tax revenue to be raised from new property added to the tax roll this year, is \$1,571,984. The total tax revenue proposed to be raised this year at the proposed tax rate of .5385 for each \$100 of taxable value, including tax revenue to be raised from new property added to the tax roll this year, is \$1,584,959. (E. Zimmer, CM) – City Manager Zimmer said we provided to the council in their packets, the first

page of the budget section, that cover sheet, that made the declarations about the increase in revenue from a tax code perspective, section 26.05 which requires that we publish that in the paper and let the community know. He said we did publish that in the paper for full disclosure. He said this item is really approving the tax revenues based on the tax rate of .5385. Motion was made by Councilor Salas, by Resolution 2014-09-12, to approve the increase of the total Tax Revenues of the City of Alpine from properties on the tax roll in the preceding year by 8.45%. Motion was seconded by Councilor Fitzgerald. Councilors Bermudez, Salas, Fitzgerald, Gonzales and Stephens voted in favor. There were no votes against. Motion unanimously carried.

14. Discuss and Consider approving 2014 Tax Year proposed Property Tax Rate for the City of Alpine, Texas. A tax rate of \$0.5385 per \$100 valuation has been recommended for FY 2014/2015 proposed budget. (E. Zimmer, CM). City Manager Zimmer said a motion on this would approve the tax rate at .5385 per \$100 valuation for this fiscal year. Motion was made by Councilor Bermudez to approve Ordinance 2014-09-02, by Resolution 2014-09-13 to approve the 2014 Tax Year proposed Property Tax Rate for the City of Alpine, Texas in the amount of \$0.5385 per \$100 valuation and setting the tax rate for the Maintenance and Operations of the Municipal Government portion of the ad valorem tax rate and providing when taxes shall become due and when same shall become delinquent if not paid and setting the tax rate for the debt service portion of the ad valorem tax rate for the 2014-2015 fiscal year and providing when taxes shall become due and when same shall become delinquent if not paid and levying ad valorem taxes for the use and support of the municipal government of the City of Alpine, Texas for the 2014/2015 Fiscal year, providing for apportioning each levy for specific purposes and suspending the second reading of the ordinance. Motion was seconded by Councilor Gonzales. Dale Christopherson said he wanted to compliment the council and the administrative staff for doing what they have done this year. He said they responded to public pressure and holding the tax rate below the roll back rate. Councilors Bermudez, Salas, Fitzgerald, Gonzales and Stephens voted in favor. There were no votes against. Motion unanimously carried.
15. Council Members Comments –

Councilor Bermudez – asked that everyone keep B. J. Gallego, who is ill, in their prayers. She said B.J. has been a person who has always been there for our city.

Councilor Salas – said thank you to Erik, his staff and the citizens for joining us. She said we are going to make the budget work and it will be good for us. She thanked the Mayor and she thanked Abel for always standing there.

Councilor Fitzgerald – said he thinks the budget has been done real well. He said we would always like more, but nobody wants their taxes to go up. He said if you have to keep the rate the way it is, it is just a fact of life. He said he would like to compliment Erik and his staff. He said thanking Abel was a good idea. He said he stands at the meetings sometimes for 3 or 4 hours. He said “way to go! Abel”.

Councilor Gonzales – asked if Abel had on a new shirt. He said he would like to recommend that we consider putting in our 180 day plan, next time, health and medical insurance. He said we should find out what it costs so we would at least have an idea. He said we would not have to have a reserve for that. He said also if we could consider audit costs in the 180 day plan. He said he thinks we need to address that. He said last time the lawyer was here he said the audit would be easier to do and now we are finding out that it is going to cost even more. He said no bad feelings for McKamie, but he thinks we need to start looking for a permanent city attorney so that we can lower the costs. He said he thinks charging by the hour is really taking its toll. He said those are just suggestions that we need to at least look at. He said then maybe we can get the money for the roads.

Councilor Stephens – said he thinks we have a good solid budget. He said the tax rate at the same amount, he believes is very important. He said he also thinks what our city manager has done, by looking at assets that the city has is going to provide the relief for the projects that got cut out and it gives us flexibility. He said that might be what we should expect from our City Manager, looking for keeping the budget flat, or the tax rate flat and looking for other opportunities to bring in revenue that allows us to do other things that we need. He said he is very comfortable about this budget. He said he is very comfortable that when it comes down to roads we are going to get the roads taken care of that we need to in an innovative way. He said this is all about how do we manage the assets that we have. He said he thinks that is the biggest item for us going forward.

Mayor Rangra – said he agrees with everyone about the budget. He said every year we are number crunching. He said last year we had about 4 or 5 different versions of the budget. He said this year we had only 2. He said the numbers were easy to follow on this budget. He said the budget was very well done. He said he hopes at the end of the year, we will have some money left over. He said now we have over one million dollars and he hopes it stays there. He said we have a new fiscal year coming next month. He said he wanted to compliment the City Manager and also Megan for a good job. He said Megan came on board when she was needed, somebody who understood this computer language. He said Megan does not say much, but when she does, she says it well. He thanked the audience for

coming.

16. **Executive Session – None**

17. **Action After Executive Session – None**

18. **Adjournment** – There being no further business, meeting was adjourned, upon the motion of Councilor Bermudez and seconded by Councilor Stephens. Motion unanimously carried.

NOTICE: The City Council reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed on the posted agenda, above, as authorized by the Texas Government Code, Sections 551.071 (consultation with attorney), 551.072 (deliberations about real property), 551.073 (deliberations about gifts and donations), 551.074 (personnel matters), 551.076 (deliberations about security devices), and 551.086 (economic development).

I certify that this notice was posted at 2:30 P.M. on September 12, 2014, pursuant to Texas Open Meetings Act. (Texas Vernon's Annotated Civil statutes, section 551.043 Texas Government Code.) This facility is wheelchair accessible and accessible parking space is available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the city secretary's office at (432) 837-3301 or fax (432) 837-2044 for further information.

Dr. Avinash Rangra, Mayor

Attest:

Margaret "Molly" Taylor, City Secretary

I, Margaret "Molly" Taylor, City Secretary, do certify that this notice was posted at 2:30 P.M on September 12, 2014, and remained so posted continuously for at least 72 hours preceding the scheduled time of said meeting.

Margaret "Molly" Taylor, City Secretary